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SUBJECT: PROMISES, PROMISES: BOUTEFLLIKA BETWEEN CAMPAIGN
AND LEGACY

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[1](#)B. ALGIERS 226

[1](#)1. (SBU) SUMMARY: A week before the official start of the 2009 presidential campaign, President Bouteflika and his government have already chalked up a sizable list of promises and largesse -- a list that exceeds traditional levels of election-year munificence. In addition to a USD 150-million development plan, Bouteflika has promised to raise the minimum wage and student allowances while creating two million new jobs. He wiped out the debt of farmers and ranchers and stayed evictions and asset seizures from civil court rulings. He promised to expand the role of women in government while increasing payments to the poor for health care and starting to refurbish entire blue-collar neighborhoods. The cost of these promises is difficult to estimate, as is the likelihood that all will come to fruition. The president appears to be using his incumbency in an attempt to strike chords with a cross-section of the Algerian population. His campaign director claims nothing Bouteflika has done thus far violates the official March 19 start of campaign season since he is merely conducting normal presidential business, leaving a question whether this is simply electioneering or part of an ongoing attempt to build Bouteflika's legacy (ref A) following an all-but-certain electoral victory. END SUMMARY.

[1](#)2. (U) President Bouteflika announced his candidacy on February 12 with much fanfare and a promise to spend some USD 150 million on new development projects across the country and create two million new jobs. He then embarked on a series of city visits to inaugurate public works projects and open conferences, making further promises for government spending along the way, even though the official campaign season does not begin until March 19. The government meanwhile announced other spending programs aimed primarily at working-class or poor Algerians.

OLD SCHOOL ELECTIONEERING

[1](#)3. (U) On February 16 the government announced increased health care and medication benefits for Algerians below certain income levels and for those suffering from certain chronic diseases. On February 24 in the hydrocarbons export hub of Arzew, the president celebrated the anniversary of the nationalization of the country's oil and gas resources and the formation of the leading labor union by promising an increase in the minimum wage by the end of the year -- "if I am elected." The minimum wage has remained static since 2007, mired in tripartite negotiations among the government and representatives of the labor unions and employers

associations.

¶4. (U) Bouteflika announced at the opening of a national agriculture conference in Biskra on February 27 that the treasury would cover the debts of troubled farmers and ranchers, estimated at USD 450 million. This measure has proved somewhat controversial, as many believe that a significant portion of the farm debt at issue was created under fraudulent or misleading circumstances. Presidential candidate Mohammed Said questioned the debt cancellation policy, suggesting the plan "will make our fathers on the farm lazy." Even the prime minister admitted challenges to the program, saying during a radio interview March 11 that it presented "a double-edged knife" by relieving pressure on a sector in which the government would like to see growth while potentially rewarding scofflaws and encouraging dependency.

¶5. (U) Still more than a week away from the official start of the presidential campaign season, the president visited the city of Sidi-bel-Abbes on March 4 to appeal to students, announcing a 50-percent increase in the allowance paid to students and vowed to raise the Ph.D. candidate allowance to match minimum wage. Vocational trainees would also get a bump in allowance, he said, as well as more money to buy the equipment needed for their training programs. Not to overlook another key constituency, the president said on March 8 during a ceremony marking International Women's Day that he would strive to fill more key appointed government positions with women, including walis (governors), university deans, court chief justices, ambassadors and ministers. He also said that he had directed his existing ministers to

ALGIERS 00000247 002 OF 002

reserve slates of managerial positions in government and public companies for women.

OBVIOUS, BUT ULTIMATELY SUCCESSFUL?

¶6. (SBU) Two Algerian business executives told us that they expect little result from the president's pre-campaign promises, particularly since the largesse is aimed at the masses. A major importer of dried fruits and powdered milk told us that the president is clearly trying to associate himself with the "average" Algerian by reaching out to demographics with little prior access to the government but whom the government needs to show up at the polls in April: women, students, workers and farmers. The CEO of an aluminum and glass company told us he was skeptical that Bouteflika could meet the financial obligations of all of his promises, since his previous development strategy did not result in economic diversification or increased government productivity. The CEO said that Bouteflika's recent promises to the masses are geared toward one thing: to guarantee a third term "and a presidential funeral like (1970s-era Algerian President) Boumediene had." The importer agreed, saying that Bouteflika's third term is almost guaranteed because there is no political figure prominent enough to challenge him.

¶7. (SBU) In addition to campaign promises, blue-collar neighborhoods like Bab-el-Oued below the Casbah in Algiers are getting a makeover in the weeks before the national election. Streets and sidewalks are being quickly repaved, decrepit buildings torn down, and the French colonial-era architecture repainted to the traditional white with gray trim. (Note: In the early years of the decade, much of central and old Algiers was repainted white with blue trim, the colors of the Khalifa Group that won the refurbishment contract but later collapsed in a massive banking and industrial fraud case that still haunts the government. End Note.)

COMMENT

18. (SBU) If as the businessmen and many others believe, Bouteflika is assured a third term, all of his pre-election promises may not be geared as much toward securing a victory as toward ensuring a reasonable level of voter turnout, which remains a major concern for the government (ref B). Moves such as freezing asset seizures and evictions until after the elections are clearly aimed at the turnout problem. The businessmen may also be correct in surmising that many of the promises, if acted upon, are equally designed to give Bouteflika what he and his supporters feels is his rightful place in history as the man who not only brought Algeria out of the dark years of terrorism but ushered in a new era of economic and social development. But Bouteflika's campaign director admitted publicly on March 10 that Bouteflika's third term will not be marked so much by new initiatives as by the completion of the many public works, development and reform projects launched in his second term. Like the (admittedly welcome) facelift of Bab-el-Oued, it is not yet clear if Bouteflika truly intends to construct a new legacy for himself after the elections or simply to put a fresh coat of political paint over the existing and decaying infrastructure.

DAUGHTON